GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:445
ANSWERED ON:19.07.2016
Urea Plants
Muddahanumegowda Shri S.P.

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Union Government proposes to establish ten more urea production Plants in the country, if so, the details thereof;

(b) whether the Naphtha fed urea units have urged the Government to continue with the existing system of subsidy after the expiry of 100 days period; and

(c) whether the Government is considering to provide LNG to Naphtha fed urea units if it does not want to continue with the subsidy benefit, if so the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS, SHIPPING , ROAD TRANSPORT & HIGHWAYS

(SHRI MANSUKH L MANDAVIYA)

(a): The Government had notified New Investment Policy (NIP) − 2012 on 02nd January, 2013 and its amendment on 07th October, 2014 to facilitate fresh investment in urea sector and to reduce import dependency. Presently, Department of Fertilizers has received 6 proposals for setting up of Greenfield and Brownfield (Expansion) projects:-

S. No. Company Projects Ownership State
1. Kanpur Fertilizers & Cement Limited Greenfield Project at Jabalpur Private Madhya Pradesh
2. Indo-Gulf Fertilizers Limited −Jagdishpur Brownfield Expansion urea project at Jagdishpur. Private Uttar Pradesh
3. Chambal Fertilizers & Chemicals Limited-Gadepan Brownfield of Ammonia-Urea units at Gadepan-Kota. Private Rajasthan
4. Matix Fertilizers & Chemicals Limited-II, Panagarh Brownfiled Ammonia-Urpea Fertilizers Complex at Panagarh. Private West Bengal
5. Rashtriya Chemicals & Fertilizers Limited-Thal Brownfield Ammonia-Urea Expansion project at Thal. CPSU Maharashtra
6. Nagarjuna Fertilizers & Chemicals Ltd. Brownfield Project at Kakinada, Andhra Pradesh. Private Andhra Pradesh

Union Government has also decided to establish following six Brownfield/Revival urea production plants:-

S. No. Name of the fertilizer unit Model
1. Namrup-IV unit of the Bhramaputra Valley Fertilizer Corporation Limited (BVFCL) PPP Model
2. Ramagundam unit of Fertilizer Corporation of India Limited (FCIL) Revival through Special Purpose Vehicle (SPVs) of PSUs
3. Talcher unit of FCIL

4. Gorakhpur unit of FCIL

5. Sindri unit of FCIL

6. Barauni unit of Hindustan Fertilizer Corporation Limited (HFCL)

(b) & (c): Yes, Madam. Based on the decision of the CCEA, vide notification dated 17th June, 2015, Department of Fertilizers has allowed continuation of production of three naphtha based urea units, i.e. Madras Fertilizers Limited (MFL)- Manali, Southern Petrochemicals Industries Corporation (SPIC) - Tuticorin and Mangalore Chemicals & Fertilizers Limited (MCFL) with Naphtha as feedstock till these plants get assured supply of gas either by pipeline or by any other means.

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